

All our people were cared for in a most efficient manner. There was no unnecessary suffering. There was splendid coöperation among all groups in both city and county. I am sure there is no doubt in anyone's mind that the Emergency Council has proved its worth.

BASIL E. RICE,
Director of Coördination.

Concerning California Attorney-General's Opinion on "Health Foundations."

BOARD OF MEDICAL EXAMINERS
STATE OF CALIFORNIA

Sacramento, California,

March 7, 1938.

To the Editor:—Enclosed please find copy of Attorney-General's Opinion No. NS869, dated February 18, 1938, regarding so-called "Health Foundations," which we thought might be of interest to the readers of CALIFORNIA AND WESTERN MEDICINE.

Very truly yours,

C. B. PINKHAM, M.D.,
Secretary-Treasurer.

(COPY)

STATE OF CALIFORNIA
LEGAL DEPARTMENT

San Francisco,

February 18, 1938.

Charles B. Pinkham, M.D.
Secretary-Treasurer
Board of Medical Examiners
450 McAllister Street
San Francisco, California

Dear Sir:

In your communication of the 21st ultimo you enclose a circular issued by a so-called health foundation and ask whether such foundation is violating any of the provisions of the Business and Professions Code.

In reply, please be advised that this office has examined the same and finds that such foundation purports to collect from its "members" a certain sum per month per family, representing that it entitles the member-family to anything the doctor can do in case of sickness or accident; that the member does not pay for surgery; that medical service for any disease whatsoever is purchased for members; that each member is entitled to a complete, free medical examination.

What purport to be facsimiles of letters received by the health foundation under discussion indicate that the health foundation took charge of a case and found three operations on one of the members were necessary; that another member received from the health foundation "the best of medical attention"; that another member received efficient medical service from such foundation.

Such literature indicates that a member thereof is not entitled to a choice of physicians; that the physician in effect is employed and paid by the foundation; that there is no professional relationship between the physician and the patient, and that the scheme of doing business is in accordance with that disapproved by the Supreme Court in the case entitled *Parker vs. Board of Dental Examiners*, 216 Cal. 285, and hence is violative of those provisions of the Business and Professions Code prohibiting the practice of medicine under a fictitious name and the aiding and abetting of unlicensed persons in the practice of medicine.

Very truly yours,

U. S. WEBB, *Attorney-General.*
By Lionel Browne (signed)
Deputy.

Concerning Malpractice Policies.

San Francisco,

March 26, 1938.

To the Editor:—Due to the fact that there are a great number of underwriters issuing Lloyd's of London malpractice policies and that these underwriters have, in the past, issued a large variety of policy forms, the following "broad form" of malpractice policy is submitted as the only form of Lloyd's malpractice policy approved as to legal scope of coverage by either the San Francisco County Medical Society or the undersigned. The approval just mentioned has been given *without prejudice* to the policies issued by any other insurance carriers and has reference only to Lloyd's of London, of which, in the past year, some thirty types of policy have been issued.

111 Sutter Street.

Very truly yours,

HARTLEY F. PEART.

(COPY)

A FORM OF POLICY: PHYSICIANS' AND SURGEONS' LIABILITY

In consideration of the statements and agreements in the application for this policy, subject to the conditions and limitations herein contained and in consideration of the payment of the premium, the underwriters hereby agree

A. To pay any damages against—hereinafter called the Assured, for professional services rendered, or which should have been rendered by him and/or any assistant to him, including any partner, physician, dentist, anesthetist, technician, nurse, or any other person, during the term of this policy, and resulting from any claim or suit based upon malpractice, error, negligence or mistake, breach of implied contract, loss of services, property damage, autopsies, inquests, personal restraint, the dispensing of drugs or medicine, assault, slander, libel, undue familiarity, anesthesia hallucination, malicious prosecution, replevin of property or arising from any counterclaims in suits brought by the Assured for the collection of fees provided such damages are claimed under any of the foregoing:

B. To defend the Assured without limit of cost in any suit within the foregoing specifications, filed at any time, and to furnish any bonds not exceeding in amount the minimum limit of this policy, which may be incidentally necessary to such suits, for appeals or the release of attachments or garnishments.

This agreement is subject to the following conditions:

1. The underwriter's liability for damages on account of any one claim or suit shall be limited to—dollars (\$——) for each assured. Subject to the same limit for each claim or suit, the underwriter's total liability during one policy year shall be limited to—dollars (\$——) for each assured. The cost of defending any suit will be paid in addition to, and irrespective of, the limit expressed above.

2. The underwriters shall not settle or compromise any claim or suit without the written consent of the Assured, and subject to his desire must defend any claim or suit until all legal remedies have been exhausted.

3. The protection under this policy shall include the estate of the Assured.

4. The insolvency or bankruptcy of the Assured shall not release the underwriters from the payment of damages for injuries sustained or loss suffered by any person or persons as the result of an act or omission covered by the policy and occurring while this policy is in full force and effect; and in case execution against the Assured is returned unsatisfied in an action brought by the injured person or his or her personal representative in case of death resulting from such act or omission, because of such insolvency or bankruptcy, then an action may be maintained by the injured person or his or her personal representative against the underwriters under the terms of the policy for the amount of judgment in said action, not exceeding the amount of the policy.

5. The Assured, in the event of receiving notice of claim or suit, shall advise the underwriters or—as soon as possible, and thereafter shall as soon as possible forward to the underwriters' representative any summons or process served, or any information received, and otherwise render the underwriters all assistance possible. All notices and communication to the underwriters and all documents, including summons or other process to be forwarded to the underwriters under the terms and provisions of this policy, shall be delivered to——, California, the underwriters' representative, and delivery of any such notice, communication or document to said representative at said address shall be conclusively deemed to constitute the receipt thereof by the underwriters.